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ABSTRACT

Strategic planning (SP), which has been used since the 1960s by business and industry, is now being used by schools, municipalities, universities, and even churches. SP is a process designed to assist groups in developing a custom-designed plan to meet the specific needs of their own organization or community. The following are five important requirements of SP: broad-scale information gathering, broad-based communication and participation, divergent interests and values, exploration of alternatives, and examination of possible consequences of current decisions. Despite its proven benefits, SP is not for every community. Two circumstances in which communities should not become involved in SP are as follows: (1) if the community lacks the skills, financial and human resources, and commitment required for key decision makers to produce a viable plan; and (2) if implementation of the strategic plan developed is unlikely. The four basic steps in SP are organizing, analyzing, strategizing, and implementing. As communities engage in systematic SP, they will likely experience many of the following identified benefits: efficient use of scarce resources, improved coordination, community consensus, increased public awareness, strengthened competitive position, forward thinking, and focus of community efforts on key issues. (MN)

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Community Resource Development
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Strategic Planning For Community Viability: A Process, Not A Destination

"Strategic Planning" has become an almost magical phrase in the 1990s. Used since the 1960s by business and industry, the concept has spread and today is used by schools, municipalities, universities, and even churches. Simply put, strategic planning is a process: a set of concepts, procedures, and tools designed to assist a group in meeting the needs of its organization or a community in changing its environment.

Strategic planning is a time-consuming, labor-intensive, and on-going process. In recent years it has become fashionable for communities to hire a strategic planning consultant to write a strategic plan. Most of the final reports of these consultants are very pretty and even graphically eye-catching. However, most final reports are doomed to sit on the shelf and collect dust. They are not often used by the communities because the community did not "buy into" the process by becoming involved. The community was not committed to strategic planning.

What we hope to provide in this circular is an overview of the strategic planning process so that communities throughout Alabama, with the assistance of the Alabama Cooperative Extension Service, can begin to systematically study their own communities and secure their own futures.

Why Become Involved With Strategic Planning?

Over the past decade national and international trends and events have impacted our communities. We have weathered demographic changes, privatization of public services, global markets that determine how we do business, increased needs for services once provided by state or federal agencies, and the ever shifting economy. What happens in Moscow and Munich affects Mobile and Monroeville. For communities to remain competitive and viable, community members and leaders need to become effective strategists.

Complicating this need to become strategists is the fact that communities are not isolated from outside forces. Sometimes these forces provide opportunities as well as constraints, and strategists should strive to be aware of both. We live in a "shared power" world (Bryson 1992), where no one is really in charge. Rather, our world—our communities—are interconnected and interdependent with outside forces. Strategic planning thus becomes a process through which a community can begin to strategically develop its local vision while understanding that the outside world is very much a part of the local context (Figure 1).

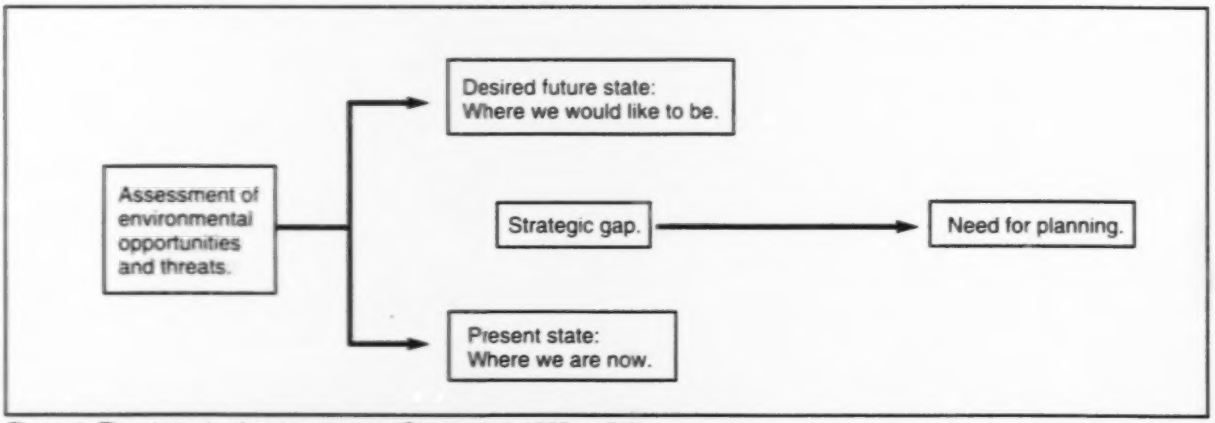

Figure 1. The strategic planning process (Steers et al. 1985, p. 91).

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More specifically, strategic planning is important because each community is different and has a unique set of community circumstances. A common mistake that communities can avoid is to simply copy the development projects of other communities. For example, a successful small business incubator project in another community might not make sense in a community with a very limited business environment or in a community that already has a large amount of low-cost industrial space.

What Is Strategic Planning?

Strategic planning is a disciplined effort to produce fundamental decisions and actions that shape and guide what a community or organization is, what it does, and why it does it (Olsen and Eadie 1982). It is the process of developing a custom-designed plan for a specific community.

Strategic Planning Requirements

Following are five important requirements of strategic planning:

- Broad-scale information gathering.
- Broad-based communication and participation.
- Divergent interests and values.
- Exploration of alternatives.
- Examination of possible consequences of current decisions.

Strategic planning involves the identification of issues in a broad sense, not just operational plans stated in goals and objectives that are translated into budgets and programs. Strategic planning allows a community to dream and to envision a higher quality of life for all its members.

Communities that do not plan for total community development often simply react to any development opportunity. For example, a local business might close, leaving an empty building or vacant lot that needs to be redeveloped; a manufacturing company might come to the town looking for low-cost financing to expand its operations. In response to such situations, the community often jumps at the economic development opportunity without adequate attention to the community's economic needs or development goals. Strategic planning for communities is about taking charge and making it happen rather than accepting the status quo and reacting to whatever opportunity might come along (Figure 2).

When Should A Community Not Become Involved In Strategic Planning?

Strategic planning is not for every community, nor is it a magic cure for deeply entrenched problems. There may be others, but here we suggest at least two different circumstances in which a community should not become involved in strategic planning.

- First, if your community lacks the skills, resources (financial and human), or commitment by key decision makers to produce a viable plan, then strategic planning will waste your time; at the same time, it will raise expectations in the community that will not be fulfilled. Ownership is basic to beginning the strategic planning process. If the process is not legitimized by the local political establishment, you will have a problem completing the process.
- Second, we do not recommend strategic planning in those communities where implementation of the strategic plan is unlikely. Strategic plans are nothing unless implemented. One strategist calls this the community equivalent to an individual's New Year's resolution—great intentions but no follow-through.

Four Basic Steps In Strategic Planning

Numerous books and pamphlets have been published on strategic planning. Most were written for corporations, some for organizations, a few for communities. The jargon will differ, but the process remains the same. To be as simple as possible, we have organized the process of strategic planning around four steps: Organizing, Analyzing, Strategizing, and Implementing.

Organizing

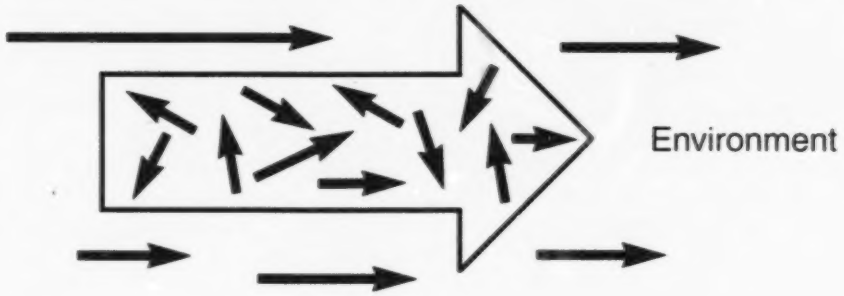
To set in motion the strategic planning process, the official sanction or "blessing" of the political establishment of the community must be obtained. Community leaders should form a steering committee to include key decision makers in the most influential areas of the community. Further, the Steering Committee must identify other decision makers as well as the segments of the wider community who must become involved in the strategic planning process. This larger group, the Strategic Planning Team (here called Team) must then agree on the following:

- Purpose of effort.
- Preferred steps in the process.
- Roles and membership for both the Steering Committee and the Strategic Planning Team.
- Commitment of necessary resources to proceed with the effort.

One of the first tasks is for the planners and community to come to an agreed-upon shared vision of what they would like their community to become. Discussions should center around obvious needs and problems within the community, as well as on the hopes, dreams, and aspirations about the future community. These discussions should lead to a **shared vision** of the community of the future. Following is a sample **vision statement**:

A misaligned community without a strategic plan.

A community that has a strategic plan but does not have its members aligned with the plan.



A community that has both a strategic plan and its members aligned with the plan.

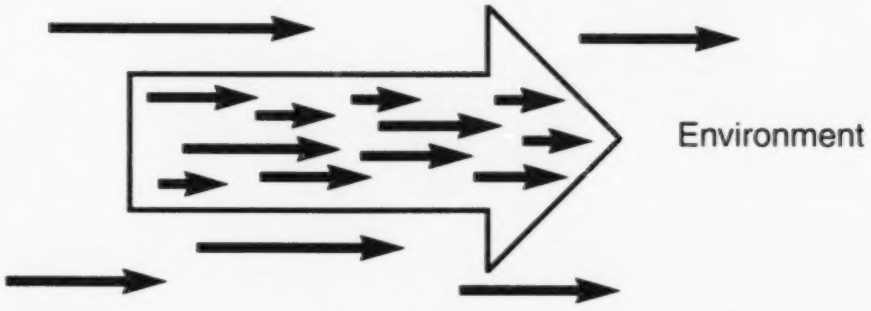


Figure 2. Applied strategic planning (Goodstein et al. 1992. p. 330).

In the future, ours is a prosperous, stable community with job opportunities for its residents. People have been busy improving the appearance of the town, and it is a very attractive community. With better communications among groups, the town is often buzzing with activity. After first maintaining its population level and becoming self-sustaining, our community has become a progressive, growing town.

From this vision statement, the group can begin the strategic planning process. The process first calls for the group to define a **mission statement** (who we are and why we exist); next, the group defines **strategic objectives** (what do we do to accomplish our mission).

The mission statement must be brief and succinct. It should clearly define the purpose of the organization and serve as an umbrella under which more detailed strategic planning takes place. This enables the citizens to evaluate themselves to see if they are moving toward their collective goal. For example, from the vision statement above, the following mission statement could be articulated.

We want to retain the existing business and industry while focusing strategic efforts toward addressing the fundamental issues necessary to attract employment opportunities relevant to the needs of our community's work force.

After the mission statement is defined so that it reflects the shared vision, then **strategic objectives** are set to establish clearly what has to be done to fulfill the mission. Following are examples of strategic objectives that fulfill the mission statement and as well reflect the vision statement:

- Improve the image of our community by implementing a continuous cleanup campaign and by landscaping the county seat square. (This is a fundamental issue relevant to attracting new industry in the mission statement, and it will fulfill the vision of an attractive community.)
- Improve communications by combining the county's three separate telephone systems into one that reduces costs of communicating to an affordable level. (This is a fundamental issue for organizing and implementing any effort, whether it is economic development or a Broadway musical.)
- Attract new employment opportunities by assuring the availability of a trained work force. (Do this by addressing the continuing education needs of the current work force and those adults who are currently unemployable.)
- Address job retention by becoming aware of relevant strengths, weaknesses, opportunities, and threats that could affect the existing employment base.

Analyzing

During step two of the strategic planning process, the Team must begin to look at the community's strengths, weaknesses, opportunities, and threats (SWOT). The SWOT analysis has been an integral part of strategic planning processes by many different types of organizations and communities. The SWOT analysis should include both internal dimensions as well as external issues that affect the community.

In looking at those things that the community does not control outside the community, the Team should take bold steps to look at the wider, broader, view. Bryson (1988) refers to this as looking at PESTs: political, economic, social, and technological trends.

When looking at the internal factors, local community members will be challenged to look critically at local institutions, services, and the business community. This will include, but is not limited to, issues such as education, transportation, industrial development, and tourism. This study of internal factors includes looking at (analyzing) resources (inputs), current strategies (process), and performance (outputs).

Strategizing

After defining the mission statement, identifying **what** has to be done to fulfill that mission and analyzing both internal and external factors affecting the community, the next step is to identify how the community will handle the strategic issues facing the community. This is a difficult process, often resulting in the need to refine or even redefine the mission statement. Very often, when the internal strengths and weaknesses are analyzed, the resources (financial and human) are not available to reach the objectives to fulfill the mission statement.

In identifying strategic issues, the Team will often identify conflicts, which translates into specific problem statements. At this point, the Team must consider what (ends), how (means), why (philosophy and values), where (location), when (timing), and who (groups involved).

A strategic issue statement will include the following:

1. Issue framed as a question that can be resolved by the community.
2. Why this issue is a strategic issue.
3. The consequences of not resolving the issue.

As a result of this step the Team will be able to come to the fourth step in strategic planning—implementation.

Implementing

First, the Team must identify **action plans** needed over the next 2 to 3 years to implement strategic objectives. To begin on this implementation journey, the Team will also need to detail an immediate implementation strategy for the first 6 to 12 months.

An effective implementation strategy (Bryson 1988) must meet several criteria. Is the strategy:

- Technically workable?
- Politically acceptable to community leaders?
- In accord with community philosophy and values?
- Ethical, moral, and legal?
- Dealing with the strategic issue it was supposed to address?
- Identifying **who** is responsible, for **what**, by **when**?

The group must be able to ascertain whether they succeeded, and, if not, why not. As the result of successful planning and implementation, the community develops a sense of what it should look like as it strives to meet the action plans. As they begin to experience success, the community will begin to develop a vision of success, a can do attitude they did not previously possess.

The final strategic planning document should address the following five questions:

1. **What** do we want our community to become?
2. **What** are all the possible actions we can take to improve the quality of life in our community given our mission statement?
3. **How** do we organize and proceed to implement our plan?
4. **Who** is going to lead and who is going to follow to implement our plan?
5. **Where** do we find all the resources to support the implementation of our plan?*

Benefits Of Strategic Planning

A community that engages in systematic strategic planning will benefit in many ways that were not even thought of as the Steering Committee and the Team began their process. The following benefits (Oklahoma Cooperative Extension Service 1988) are among those that the community might experience. Strategic planning:

- Promotes efficient use of scarce resources.
- Improves coordination.
- Builds community consensus.
- Increases public awareness.
- Strengthens the community's competitive position.
- Encourages forward thinking.
- Focuses community efforts on key issues.

One final point the successful Strategic Planning Team must remember is to "sell" the idea of strategic planning to the community during every step of the process. Involvement of the entire community is the ideal; reality will insist that the Steering Committee or Key Leader behind the process use communication and media throughout the process to keep citizens involved. This will enhance the positive implementation of the plan because citizens have been asked to commit to the process before it is in the final form.

The citizens who live in the community have the largest stake in creating a vision for their future and the future of their families. The citizens must lead the charge and develop the plan. An outside facilitator is a guide and a monitor. Successful strategic planning for communities dictates that these roles are never reversed.

Conclusion

Strategic planning is a time-consuming, labor-intensive, and on-going process. As events and circumstances that affect the plan change both within the community and external to the community, the process must begin again. The plan must be constantly revised to reflect the effects of change. As Dwight D. Eisenhower said, "Plans are nothing; planning is everything."

Glossary*

Action Plan. A group of specific interrelated tasks designed to meet a strategic objective, often designating who has primary responsibility for what actions, with whom they should coordinate, and when each action should be completed (who? what? when?).

Goal. A broad, general statement that describes a desired outcome that will be a relative improvement over some current situation.

Issue. A matter of wide public concern growing out of complex human problems.

Mission Statement. The statement of the overriding purpose of an organization, written in the broadest and most inclusive terms. The statement serves as the umbrella under which specific objectives, strategies, and operating plans are made.

Stakeholder. Any person, group, or organization that can place a claim on a community's attention, resources, or output, or is affected by that output.

Strategic Objectives. A set of statements that specifically spell out what has to be done to fulfill the mission. The strategic objectives are stated to solve specific problems and to seize specific opportunities relevant to the overall mission statement.

*Adapted from "Strategic Planning For Community Development." Kansas Cooperative Extension Service.

Strategic Plan. A set of concepts, procedures, and tools designed to assist leaders with meeting needs in a changing environment.

Strategy. A statement of direction that implies a cohesive set of activities designed to achieve a common result. Strategy answers the question, how? This often includes the planning for human and financial resources to accomplish the strategic objectives.

SWOT. Acronym for Strengths, Weaknesses, Opportunities, and Threats.

—Strengths: a community's most important positive characteristics or values.

—Weaknesses: a community's negative characteristics.

—Opportunities: circumstances that could strengthen the community.

—Threats: outside forces or influences that could weaken the community.

Trend. A general direction of change—usually gradual and long term—in the forces shaping the future of an organization, region, nation, and society.

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